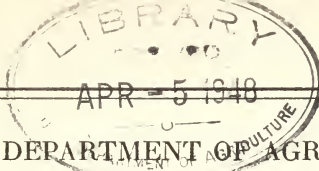


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Cap. 3



UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

CODE OF FAIR COMPETITION SERIES—CODE No. 8

AMENDED
CODE OF FAIR COMPETITION
FOR THE
COMMERCIAL AND BREEDER
HATCHERY INDUSTRY

Approved January 11, 1935
Effective January 16, 1935

1. Order approving Amended Code
2. Letter of transmittal (Secretary of Agriculture)
3. Letter of transmittal (National Industrial Recovery Board)
4. Amended Code



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1935

UNITED STATES DEPARTMENT OF AGRICULTURE

AND

NATIONAL INDUSTRIAL RECOVERY BOARD

**ORDER APPROVING AMENDMENT OF CODE OF FAIR
COMPETITION FOR THE COMMERCIAL AND BREEDER
HATCHERY INDUSTRY**

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of the amendments to a Code of Fair Competition for the Commercial and Breeder Hatchery Industry, and hearings having been duly held thereon and the annexed report on said amendments containing findings with respect thereto, having been made and directed to the President:

Now, therefore, on behalf of the President of the United States, we, HENRY A. WALLACE, Secretary of Agriculture, and the National Industrial Recovery Board, pursuant to authority vested in us by Executive Orders of the President, including Executive Order No. 6764, dated June 29, 1934, and otherwise, do hereby incorporate by reference, said annexed report and do find that said amendments and the Code as constituted after being amended comply in all respects with the pertinent provisions and will promote the policy and purposes of said title of said act, and do hereby order that said amendments be and they are hereby approved, and that the previous approval of said Code is hereby modified to include an approval of said Code in its entirety as amended.

H. A. Wallace

Secretary of Agriculture.

NATIONAL INDUSTRIAL RECOVERY BOARD,

L. A. Harrison

Administrative Officer.

WASHINGTON, D. C., January 11, 1935.

AGRICULTURAL ADJUSTMENT ADMINISTRATION

LETTER OF TRANSMITTAL

JANUARY 11, 1935.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: This is a report on the amendments to the Code of Fair Competition for the Commercial and Breeder Hatchery Industry as heard at a Public Hearing held in Washington, D. C., on September 19, 1934. The Code was approved December 27, 1933.

The principal changes in the Code provisions (other than those relating to hours of labor, rates of pay and conditions of employment) are as follows:

(a) Members of the Industry hatching or selling less than five hundred (500) chicks, or custom-hatching for hire or buying for resale less than one thousand (1,000) eggs, in any calendar year, are exempted from the Code.

(b) Members of the Coordinating Committee are to be selected at an election at which all members of the Industry may vote, rather than by trade associations as heretofore provided.

(c) Trade practice provisions prohibiting false advertising, misrepresentation, the use of loss leaders, giving of secret rebates, inducing breach of contract, engaging in price discrimination, and giving of premiums, are clarified.

(d) A clause prohibiting destructive price cutting is substituted for the former provision prohibiting sales below the individual seller's cost of production.

(e) Provision is made for the use of Uniform Breeding and Disease Control Terminology which has been submitted by the Coordinating Committee and tentatively approved by me.

FINDINGS

I find that:

1. The amendments to said Code and the Code as amended will tend to effectuate the declared policy of Title I of the National Industrial Recovery Act as set forth in section 1 of said Act, in that the terms and provisions of such Code tend (a) to remove obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof; (b) to provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups; (c) to eliminate unfair competitive practices; (d) to promote the fullest possible utilization of the present productive capacity of industries; (e) to avoid undue restriction of production (except as may be temporarily required); (f) to increase the consumption of industrial and agricul-

tural products by increasing purchasing power; and (g) otherwise to rehabilitate industry and conserve natural resources.

2. The Code as amended complies in all respects with the provisions of Title I of the National Industrial Recovery Act.

3. The amendments and the Code as amended are not designed to promote monopolies or to eliminate or oppress small enterprises, and will not operate to discriminate against them, and will not promote monopolies or monopolistic practices.

4. Due notice and opportunity for hearing, in connection with the aforesaid amendments and the Code as amended has been afforded interested parties in accordance with Title I of the National Industrial Recovery Act and applicable regulations issued thereunder.

5. The provisions of the Code as amended establishing standards of fair competition (a) are regulations of transactions in or affecting interstate commerce, and (b) are reasonable.

For the reasons given above, the Amended Code has been approved.

Respectfully,

H Wallace
Secretary of Agriculture.

NATIONAL INDUSTRIAL RECOVERY BOARD

LETTER OF TRANSMITTAL

The PRESIDENT,
The White House.

SIR: This is a report on the amendments to the Code of Fair Competition for the Commercial and Breeder Hatchery Industry as heard at a Public Hearing held in Washington on September 19, 1934, and later revised as a result of post-hearing conferences held with members of the National Commercial and Breeder Hatchery Coordinating Committee.

In order to promote the policies and purposes of the National Industrial Recovery Act, it has been found necessary to modify the provisions of this Code relating to hours of labor, rates of pay, and other conditions of employment. It has also been found necessary to modify the provisions of Article VIII, relating to the organization, constitution, and powers and duties of the Code Authority, including the clause providing for the collection of expenses of Code Administration as well as the clause empowering the Code Authority to obtain information and reports from members of the industry and requiring members of the industry to furnish statistical information under Section 3 (a) of the Act.

PROVISIONS AS TO HOURS

1. No clerical or other office employee shall be permitted to work in excess of forty (40) hours in any one week or eight (8) hours in any day.

2. No other employee shall be permitted to work in excess of forty-eight (48) hours in any one week or eight (8) hours in any day, except as otherwise provided in the following exceptions:

(a) Persons employed in executive, supervisory, or administrative capacities, provided they regularly receive \$35.00, or more, per week; also outside salesmen.

(b) Watchmen, who perform no operating functions, provided they are not permitted to work in excess of 56 hours in any one week.

(c) There shall be no daily limitations as to hours worked by deliverymen.

(d) Employees engaged in emergency repair work, provided that employees so engaged shall be paid at one and one-half times their normal hourly rate for all hours worked in excess of the maximum otherwise permitted.

(e) During any four consecutive peak months, incubator operators and servicemen may be permitted to work not in excess of 56 hours in any week.

(f) No employee, except watchmen and one other employee in each establishment, shall be permitted to work more than six (6) days in any seven (7) day period.

PROVISIONS AS TO WAGES

1. No employee shall be paid in any pay period less than at the rate of fifteen dollars (\$15.00) per week, with the following exceptions:

(a) Part-time employees shall be paid not less than at the rate of thirty-seven and one-half ($37\frac{1}{2}$) cents per hour. Should any such part-time employee be otherwise employed by a member of this industry, he shall be paid at the wage rate herein established for all hours worked in the industry, irrespective of the nature or amount of other compensation received by such employee for the remainder of his time.

(b) Watchmen shall be paid not less than at the rate of \$18.00 per week.

(c) Incubator operators and servicemen shall be paid not less than at the rate of \$30.00 per week.

The Deputy Administrator in his final report to the National Industrial Recovery Board on said amendments to said Code having found as herein set forth and on the basis of all the proceedings in this matter:

The National Industrial Recovery Board finds that:

(a) The amendments to said Code and the Code as amended are well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act, including removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanctions and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) The Code as amended complies in all respects with the pertinent provisions of said title of said Act, including without limitation sub-section (a) of Section 3, sub-section (a) of Section 7 and sub-section (b) of Section 10 thereof.

(c) The Code empowers the Code Authority to present these amendments on behalf of the industry as a whole.

(d) The amendments and the Code as amended are not designed to and will not permit monopolies or monopolistic practices.

(e) The amendments and the Code as amended are not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said amendments.

Accordingly, the National Industrial Recovery Board approves the amended Code of Fair Competition for the Commercial and Breeder Hatchery Industry to the extent of its jurisdiction as stated in your Executive Orders No. 6551 of January 8, 1934, and No. 6859 of September 27, 1934.

Respectfully,

For the National Industrial Recovery Board

L. A. Hariman

Administrative Officer.

JANUARY 5, 1935.

AMENDED CODE OF FAIR COMPETITION FOR THE COMMERCIAL AND BREEDER HATCHERY INDUSTRY

ARTICLE I—PURPOSES

Whereas, it is the declared policy of Congress as set forth in Section 1 of Title I of the National Industrial Recovery Act:

To remove obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof; and to provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, to induce and maintain united action of labor and management under governmental sanctions and supervision, to eliminate unfair competitive practices, to promote the fullest possible utilization of the present productive capacity of industries, to avoid undue restriction of production (except as may be temporarily required), to increase the consumption of industrial and agricultural products by increasing purchasing power, to reduce and relieve unemployment, to improve standards of labor, and otherwise to rehabilitate industry, and to conserve natural resources;

Now therefore, to effectuate such policy, the following provisions are established as a Code of Fair Competition for the Commercial and Breeder Hatchery Industry, and upon approval by the President, shall be the standards of fair competition for such industry and shall be binding upon every member thereof.

ARTICLE II—DEFINITIONS

SECTION 1. As used in this Code:

(a) The term "President" means the President of the United States.

(b) *The term "Secretary" means the Secretary of Agriculture of the United States or his duly appointed agent.*

(c) *The term "National Industrial Recovery Board" means the board created, constituted and empowered by the executive order of September 27, 1934, No. 6859.*

(d) The term "Act" means Title I of the National Industrial Recovery Act, approved June 16, 1933.

(e) The term "person" means individual, partnership, corporation, association and any other business unit.

(f) *The terms "Industry" and "Commercial and Breeder Hatchery Industry" means the business of hatching or selling during any calendar Year in excess of 500 "chicks", "baby ducklings", "Turkey poults", or "started chicks, ducklings, turkey poults", or custom hatching for hire over 1,000 eggs, or buying for purpose of resale over 1,000 hatching eggs. The terms "chicks", "baby ducklings", "turkey poults", "started chicks, ducklings, or turkey poults" and "hatching eggs" are more specifically defined in Exhibit A.*

(g) The term "employee" means any person engaged in the industry in any capacity receiving compensation for his services, irrespective of the nature or method of payment of such compensation.

(h) The term "employer" means any person by whom any such employee is compensated or employed.

(i) The term "member of the industry" means any person engaged in the industry, either as an employer or on his own behalf.

(j) The term "State" also includes territories and the District of Columbia.

(k) The term "books and records" means any books, records, accounts, contracts, documents, memoranda, papers, correspondence, or other written data pertaining to the business of the person in question.

(l) The term "subsidiary" means any person, of or over whom, a member of the industry has, either directly or indirectly, actual or legal control, whether by stock ownership or in any other manner.

(m) The term "affiliate" means any person who has, either directly or indirectly, actual or legal control of or over a member of the industry, whether by stock ownership or in any other manner.

(n) The term "Coordinating Committee" means the National Commercial and Breeder Hatchery Coordinating Committee and hereinafter referred to as the "National Coordinating Committee" or "Coordinating Committee."

(o) The term "Labor Provisions" means provisions relating to the determination and administration of the hours of labor, rates of wages, and other conditions of employment, under the jurisdiction of the Board.

(p) The term "Outside Salesman" means a salesman who performs exclusively selling functions outside of the establishment of the employer and who does not deliver.

(q) The term "Watchman" includes any employee whose principal function is watching and guarding the premises and property of the establishment of a member of the industry.

(r) The term "Incubator Operator" means any person charged with the duty of so regulating the temperature, moisture, manipulation of eggs and other factors of incubator control in such a way as to successfully hatch eggs and care for the needs of newly hatched chicks.

(s) The term "Service Men" means any person employed mainly in rendering technical service to customers, such as treatment of flocks for disease and regulating feeding and other health and growth factors, but his duties may also include sale and delivery of chicks.

(t) The term "Deliveryman" means any person employed mainly in delivering baby chicks sold to customers, but his duties may also include the sale of chicks and the collection of hatching eggs.

(u) (1) The term "Commercial Hatchery" means any person operating or controlling incubator equipment who produces 95% or more of the "chicks", "baby ducklings", "turkey poults", "started chicks, ducklings, or turkey poults" which he or it advertises or sells.

(2) The term "Breeder Hatchery" means any person owning breeding flocks and incubator equipment who produces and sells "chicks", "baby ducklings", "turkey poults", "started chicks, ducklings, or turkey poults" only from flocks owned by him or it.

(3) The term "Commercial Hatchery and Dealer" means any person operating or controlling incubator equipment who produces 51% or more, and less than 95% of the "chicks", "baby ducklings", "turkey poults", "started chicks, ducklings, or turkey poults" which he or it advertises or sells.

(4) The term "Dealer" means any person who produces in his or its own equipment less than 51% of the "chicks", "baby ducklings", "turkey poults", "started chicks, ducklings, or turkey poults" which he or it advertises or sells.

(v) The term "Hatchery Operator" means any individual, partnership, firm, or corporation in the business of hatching baby chicks, ducklings, or poults, either for sale or on a custom basis.

(w) The term "Branch Manager" means the person in charge of a branch hatchery and/or sales station. His duties may include operation of an incubator, but if the major portion of his time is given to such incubator operation he shall be classified as an "incubator operator."

(x) The term "Branch Hatchery" means and includes any hatchery owned and operated under a single management with some other hatchery.

(y) The term "Hatchery Products" means "chicks", "baby ducklings", "turkey poults", "started chicks, ducklings, or turkey poults", "hatching eggs", and custom hatching for hire. Hatching eggs or chicks from game birds, game bantams, and all ornamental bantams are not included as hatchery products.

SEC. 2. Population shall be determined by reference to the latest Federal Census.

ARTICLE III—HOURS

SECTION 1. No clerical or other office employee shall be permitted to work in excess of forty (40) hours in any one week or eight (8) hours in any day.

SEC. 2. No other employee shall be permitted to work in excess of forty-eight (48) hours in any one week or eight (8) hours in any day, except as otherwise provided in the following exceptions:

(a) Persons employed in executive, supervisory, or administrative capacities, provided they regularly receive \$35.00, or more, per week; also outside salesmen.

(b) Watchmen, who perform no operating functions, provided they are not permitted to work in excess of 56 hours in any one week.

(c) There shall be no daily limitations as to hours worked by deliverymen.

(d) Employees engaged in emergency repair work, provided that employees so engaged shall be paid at one and one-half times their normal hourly rate for all hours worked in excess of the maximum otherwise permitted.

(e) During any four consecutive peak months, incubator operators and servicemen may be permitted to work not in excess of 56 hours in any week.

(f) No employee, except watchmen and one other employee in each establishment, shall be permitted to work more than six (6) days in any seven (7) day period.

SEC. 3. No employee shall be permitted to work for a total number of hours in excess of the number of hours prescribed herein, whether employed by one or more employers in this industry or any other industry. This shall not be construed to apply to agricultural labor.

ARTICLE IV—WAGES

SECTION 1. No employee shall be paid in any pay period less than at the rate of Fifteen Dollars (\$15.00) per week, with the following exceptions:

(a) Part-time employees shall be paid not less than at the rate of thirty-seven and one-half ($37\frac{1}{2}$) cents per hour. Should any such part-time employee be otherwise employed by a member of this industry, he shall be paid at the wage rate herein established for all hours worked in the industry, irrespective of the nature or amount of other compensation received by such employee for the remainder of his time.

(b) Watchmen shall be paid not less than at the rate of \$18.00 per week.

(c) Incubator operators and servicemen shall be paid not less than at the rate of thirty dollars (\$30.00) per week.

SEC. 2. This Code guarantees minimum rates of pay irrespective of whether an employee is compensated on a time-rate, piecework or other basis.

SEC. 3. Female employees performing substantially the same work as male employees shall receive the same rate of pay as male employees.

SEC. 4. Each employee shall be paid a wage rate which will yield at least the same wage for the shorter full-time week herein established as he could have earned for the same class of work for the longer full-time week as of June 1, 1933.

SEC. 5. Persons whose earning capacities are limited because of age, physical or mental handicap or other infirmity, may be employed on light work at wages below the minimum established by this Code, if the employer obtains from the State Authority, designated by the United States Department of Labor, certificates authorizing such persons' employment at such wages and for such hours as shall be stated in the certificates. Such authority shall be guided by the instructions of the U. S. Department of Labor on issuing certificates to such persons. Each employer shall file monthly with the Code Authority a list of all such persons employed by him, showing the wages paid to, and the maximum hours of work for, such employees.

SEC. 6. (a). Wages shall be exempt from fines and rebates and from charges and deductions except charges and deductions required by law for pension, insurance, or benefit funds.

(b) *No employer shall withhold wages except upon service of legal process or other papers lawfully requiring such withholding. Deductions for other purposes than those heretofore stated may be made only pursuant to a contract in writing which is kept on file by the employer for six (6) months after the termination of the contract and which shall be kept for the inspection of the National Industrial Recovery Board.*

SEC. 7. *Employers shall make payment of all wages due, in lawful currency or by negotiable checks, payable on demand. All contracts of employment shall prescribe payment of wages at least twice a month.*

ARTICLE V—GENERAL LABOR PROVISIONS

SECTION 1. *No person under sixteen (16) years of age shall be employed in the industry. No person under eighteen (18) years of age shall be employed at operations or occupations which are hazardous in nature or dangerous to health. The Code Authority shall submit to the National Industrial Recovery Board for approval on or before January 1, 1935, a list of such operations or occupations. In any state, an employer shall be deemed to have complied with this provision as to age if he shall have on file a certificate or a permit duly issued by the Authority in such state empowered to issue employment or age certificates or permits showing that the employee is of the required age.*

SEC. 2. (a). *Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.*

(b) *No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing or assisting a labor organization of his own choosing.*

(c) *Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.*

SEC. 3. *No provision in this Code shall supersede any law which imposes on employers more stringent requirements as to age of employees, wages, hours of work, or as to safety, health, sanitary or general working conditions, or insurance, or fire protection than are imposed by this Code.*

SEC. 4. *All employers shall post and keep posted copies of this Code in conspicuous places accessible to all employees. Every member of the industry shall comply with all rules and regulations relative to the posting of provisions of codes of fair competition which may from time to time be prescribed by the National Industrial Recovery Board.*

SEC. 5. *Every employer shall provide for the safety and health of employees during the hours and at the places of their employment. Standards for safety and health shall be submitted by the Code Au-*

thority to the National Industrial Recovery Board within six (6) months after the effective date of the Code.

SEC. 6. Employers shall not change the method of compensation or reclassify employees of duties of occupations performed by employees in order to defeat the purposes of the Act or the provisions of this Code, nor engage in any other subterfuge to effect the defeat of such purposes or provisions.

SEC. 7. No employee shall be discharged and re-employed at a lower weekly compensation for the same class of work than he was previously paid; no employee discharged since June 15, 1933, shall be re-employed at a lower weekly compensation for the same class of work than he was previously paid; no employee shall be employed at a lower weekly compensation than was effective for that class of work as of June 16, 1933.

ARTICLE VI—UNFAIR METHODS OF COMPETITION

SECTION 1. Defamation.—No member of the industry shall defame a competitor by falsely imputing to him dishonorable conduct, inability to perform contracts, or questionable credit standing. No member of the industry shall make or cause to be made any false statement with reference to his competitors or with reference to the grade or quality of their hatchery products.

SEC. 2. Guarantee.—No member of the industry shall fail or refuse to adjust losses to the extent of his guarantee where he has guaranteed a specified percent of live arrivals or made any other specific guarantee.

SEC. 3. Destructive Price Cutting.—

(a) No member of the industry shall sell hatchery products below cost with the intent and with the effect of injuring a competitor, and where the effect may be to substantially lessen competition or tend to create a monopoly or to unreasonably restrain trade.

(b) No member of the industry shall sell or offer for sale hatchery products at prices, or upon terms, discounts, or conditions of sale differing from the prices, terms, discounts, or conditions of sale listed with the Coordinating Committee pursuant to the provisions of Section 5 of Article VII of this Code.

(c) No member of the industry shall for the purpose or with the effect of influencing sales of hatchery products, (1) sell or offer for sale other products or supplies at less than the invoice or replacement cost thereof, or (2) pay or give credit for other products or supplies at more than the reasonable market value thereof.

(d) No member of the industry shall file prices for sexed chicks except on such basis that in every case the total gross income received for both sexes from each hatch and lot sold shall be at least equal to his filed price for unsexed chicks of the same quality and grade plus a reasonable charge for separating of the sexes.

SEC. 4. Advertising.—(a) No member of the industry shall make or publish, or cause to be made or published, any false, untrue, misleading, or deceptive statement by way of advertisement either by means of print, radio, display, or through any other medium concerning the grade, quality, quantity, substance, character, nature, origin, size, or preparation of any product of the industry.

(b) No member of the industry shall advertise that all his hatchery products are of uniformly high quality as to egg production, quick maturity, egg size, livability, and uniform development when a portion of said products are of inferior quality.

(c) No member of the industry shall advertise or represent hatchery products as being from flocks that have been blood tested, vaccinated, or otherwise treated for any disease, when only a portion of the flocks supplying the eggs have been so treated or tested. In such advertising members of the industry shall specify (1) the disease for which the test, vaccination or treatment was made and (2) the method used in making the test, vaccination or treatment.

(d) No member of the industry shall use in their advertising the terms "guaranteed egg production" or "guaranteed to live".

(e) No member of the industry shall publish testimonials regarding exceptional results from his flocks so worded as to create the impression that all of his stock may be expected to produce similar results for all buyers unless the testimonial is applicable to all flocks.

(f) No member of the industry shall advertise the same business unit under two or more different names during the same period of time.

(g) No member of the industry shall use the terms "farm", "farms", "breeder", "breeders", "breeding", or any other similar term, as part of his or its name if the concern is in fact not a Breeder Hatchery, without following the name with the term "Commercial Hatchery", "Commercial Hatchery and Dealer" or "Dealer".

(h) No member of the industry shall advertise hatchery products as from the strain of any breeder, without first procuring the written consent of such breeder.

(i) Members of the industry shall deliver sexed chicks at least as accurately separated as to sex as claimed in all advertising or guarantees. In all advertising or offers to sell sexed chicks or to separate the sexes, a definite guarantee setting forth the percentage of accuracy of separation must be stated.

(j) No member of the industry shall advertise his products as "disease free" when they are not in fact "disease free" as advertised.

(k) No member of the industry shall advertise his products as "disease resistant" without specifying the disease for which resistance is claimed.

(l) No member of the industry shall advertise his hatchery products as having been treated for disease when only processes for the prevention of the spread of disease have been used as defined in Exhibit A.

SEC. 5. Notification of customers.—No member of the industry shall ship hatchery products prior to or after the contract delivery date without having given notice to the purchaser and subject to the purchaser's approval.

SEC. 6. Rebates.—No member of the industry shall make or grant to any customer any rebates, allowances, or concessions of any kind, including rebates in the form of special services, discounts, prizes, or gratuities. Nothing in this section contained shall be construed to prevent the payment of dividends on a patronage basis by a bona fide

cooperative organization, including a farmer's cooperative, organized under the laws of any state or of the United States.

SEC. 7. *Substitution.*—No member of the industry shall make any substitution of hatchery products produced by other members of the industry without first procuring the consent of the customer prior to shipment.

SEC. 8. *Extras.*—No member of the industry shall give any extra chicks or other hatchery products beyond the number sold or specified in the order.

SEC. 9. *Misrepresentation.*—No member of the industry shall

(a) Use the words "hatchery", "chickery", "poultry farm", or any other terms in such a way as to create the impression that the seller is a producer of hatchery products, when in fact he is a dealer.

(b) Misrepresent the breed, grade, or quality of hatchery products sold or offered for sale.

(c) Quote or advertise to the retail trade prices alleged to be wholesale, when in fact they are not wholesale prices.

(d) Add transportation charges to the quoted or advertised price without the consent of the purchaser.

(e) Ship hatchery products on a consignment basis to a fictitious consignee or to any person without a bona fide order.

(f) Claim that his products are pedigreed unless such claim is accompanied by a statement as to the basis of the pedigree.

(g) Sell both sexed and unsexed (straight run) chicks without guaranteeing that the unsexed, or "straight run" chicks have not been sorted for sex or had sexed chicks added to the lot of unsexed chicks.

SEC. 10. *Inducing Breach of Contract.*—No member of the industry shall maliciously induce or attempt to induce the breach of an existing contract between a competitor and his customer and/or source of supply of hatching eggs; nor shall any such member maliciously interfere with or obstruct the performance of any such contractual duties or services.

(a) No member of the industry shall obtain fertile eggs, directly or indirectly, from a flock, mated or otherwise, for which a competitor has contracted, without such competitor's consent in writing.

SEC. 11. *Price Discrimination.*—No member of the industry shall either directly or indirectly, discriminate in price between different purchasers of hatchery products, where the effect of such discrimination may be to substantially lessen competition or tend to create a monopoly, except that a proper differential in price between purchasers of the same class on account of differences in the grade, quality or quantity of the hatchery product sold or a proper differential for selling or delivery charges may be allowed.

SEC. 12. *Premiums.*—No member of the industry shall use "premiums" in the following manner:

(a) The use of premiums in ways which involve commercial bribery in any form.

(b) The use of premiums in ways which involve lottery in any form. The term "lottery" should be construed to include, but without limitation, any plan or arrangement whereby the premiums offered differ substantially in value from customer to customer of the same class, except as a result of differences in quantities purchased.

(c) *The use of premiums in ways which involve misrepresentation, or fraud, or deception in any form, including, but without limitation, the use of the word "free", "gift", "gratuity", or language of similar import in connection with the giving of premiums for the purpose or with the effect of misleading or deceiving customers.*

(d) *The giving of premiums to any customers when such premiums are not offered to all customers of the same class in the trade area.*

SEC. 13. *Scientific Terminology.*—In the use of the words "accredited", "certified", "blood-tested", "pullorum-tested", "pullorum-accredited", "supervised", etc., or any combination thereof, the name of the State and the Supervising Agency in the State shall precede these words in any advertising medium, and/or publicity material. A label shall be placed on each shipment of chicks, eggs for hatching, and breeding stock, giving the State and the Supervising Agency and a brief description of the method of accrediting, certification, supervision, blood-testing, etc. The mere use of these terms in advertising material and publicity without naming the State and Supervising Agency is prohibited.

SEC. 14. *Forced buying.*—*No member of the industry shall require the purchase of one or more products as a condition to the purchase of any other product.*

ARTICLE VII—REPORTS AND GENERAL

SECTION 1. The members of the industry shall severally, from time to time, upon the request of the Secretary (or the *National Industrial Recovery Board* in case of information relating to hours of labor, rates of pay, or other conditions of employment) furnish such information on and in accordance with forms of reports to be supplied, as may be deemed necessary for the purposes of (1) assisting in the furtherance of the powers and duties of the Secretary or the *National Industrial Recovery Board* with respect to this code and/or (2) enabling the Secretary or the *National Industrial Recovery Board* to ascertain and determine the extent to which the declared policy of the act and the purposes of this code will be effectuated, such reports to be verified under oath.

SEC. 2. *The members of the industry shall severally permit, for the same purposes and/or to enable the Secretary to verify the information furnished on said forms or reports, all their books and records of their affiliates and subsidiaries, to be examined by the Secretary during the usual hours of business.*

SEC. 3. *The members of the industry shall severally keep books and records which will clearly reflect all financial transactions of their respective businesses and the financial condition thereof, and shall see to it that their respective subsidiaries and affiliates keep such records.*

The Coordinating Committee shall cause to be formulated methods of cost finding and accounting capable of use by all members of the industry, and shall submit such methods to the Secretary for review. If approved by the Secretary, full information concerning such methods shall be made available to all members of the industry.

Nothing herein contained shall be construed to permit the Coordinating Committee or any agent thereof, to suggest uniform additions, percentages or differentials or other uniform items of cost which are designed to bring about arbitrary uniformity of costs or prices.

The Coordinating Committee may, from time to time, publish results of cost surveys for the information of hatchery operators and the general public, but such published cost figures shall not be used as the basis for determining whether or not the destructive price or any other provisions of this code have been violated by any member of the industry.

SEC. 4. The Coordinating Committee shall establish for the industry a uniform sales invoice, the terms of which will be subject to the approval of the Secretary of Agriculture. This uniform sales invoice shall contain along with other conditions to be recommended from time to time by the Coordinating Committee to the Secretary of Agriculture for his approval the following provisions: breed, grade, and number of chicks, ducklings, or poults sold, date of delivery, price at which sale was made, amount of discount, and delivery charge.

SEC. 5. *Filing price lists.*—Each member of the industry shall, prior to offering hatchery products for sale, file with the Coordinating Committee a price list which shall set forth—

(a) all the brands, classes, grades, and types of hatchery products offered for sale by such member;

(b) the sale prices thereof to various classes of buyers;

(c) all discounts and other terms of sale of such hatchery products.

Any member of the industry desiring to change his price list shall file a new or amended list in the office of the Coordinating Committee not less than 24 hours before becoming effective. Members of the industry shall not sell at prices, terms of sale, or discount other than those listed pursuant to this section. No member of the industry shall enter into any agreement, understanding, combination or conspiracy to fix or maintain price terms, nor cause or attempt to cause any member of the industry to change his price terms by the use of intimidation, coercion, or any other influence inconsistent with the maintenance of the free and open market which it is the purpose of this article to create.

SEC. 6. All information furnished the Secretary pursuant to this article shall remain confidential in accordance with the applicable General Regulations, Agricultural Adjustment Administration.

SEC. 7. *Egg size.*—No member of the industry shall use for hatching, including custom hatching, chicken eggs that weigh less than one and eleven-twelfths ($1\frac{11}{12}$) ounces each or turkey eggs weighing less than two and one-half ($2\frac{1}{2}$) ounces each at the time the eggs are placed in the incubator, except chicken eggs set only for the purpose of producing broiler chicks between August 1 and December 1 may weigh not less than one and five-sixths ($1\frac{5}{6}$) ounces each.

SEC. 8. *Egg premiums.*—No member of the industry shall buy hatching eggs without paying or causing to be paid to the original producer, or farmer, a premium over market egg prices commensurate with the amount of flock improvement work required of the producers.

SEC. 9. *Labeling hatchery products.*—(a) *All containers in which chicks, turkey poults, or ducklings, started or otherwise are delivered to a consumer shall carry a label or statement so printed and attached to the sides of the container as to be easily read, giving the name and address of the member of the industry delivering the same except*

(b) *All containers in which chicks, turkey poults, or ducklings, started or otherwise, that are to be sold at auction or in any other manner not regularly employed in distributing chicks, shall carry a label or statement so printed and attached to the sides of the container as to be easily read, giving the name and address of the member of the industry producing the hatchery product and the date of hatch.*

SEC. 10. *Description of grades.*—*Members of the industry shall describe clearly in sales literature actual differences in quality between grades where two or more grades of hatchery products of the same variety are offered.*

ARTICLE VIII—ORGANIZATION, POWERS, AND DUTIES OF THE COORDINATING COMMITTEE

SECTION 1. *Code Authority.*—(a) *A code authority, to be known as the Coordinating Committee, shall be established for the purpose of assisting in the administration, supervision, and promotion of the performance of the provisions of this code. Except as the jurisdiction of the Secretary and the National Industrial Recovery Board may hereafter be changed pursuant to the order of the President, the Coordinating Committee shall assist the National Industrial Recovery Board in all matters relating to the administration of provisions in this Code relating to hours of labor, rates of pay, and other conditions of employment and shall assist the Secretary in all matters relating to the administration of all the other provisions of this Code.*

(b) *The Coordinating Committee shall consist of twenty (20) members. The members of the Coordinating Committee heretofore elected by mail ballot during the month of July, 1934, in accordance with the method provided in paragraph (b-1) of this section when duly recognized shall be considered as the duly constituted Coordinating Committee and shall serve until July 31, 1935, or until their successors are selected; their successors shall be selected in the following manner:*

(1). *Between the first and thirtieth of May of each year, the Managing Agent shall request each member of the industry to submit the name of one person as nominee for membership on the Coordinating Committee from his respective region. The names of such nominees shall be submitted on forms supplied by the Managing Agent and shall be returned to him not later than June tenth.*

The Managing Agent shall select the names of the five (5) persons receiving the greatest number of nominations in each region, and shall submit said names on a ballot form to reach the members of the industry in their respective regions not later than June 20th. Members of the industry shall vote for two (2) of the

persons whose names appear on the list and shall return the ballot to the Managing Agent not later than July 10th. Each member of the industry paying his equitable contribution to the expenses of the administration and otherwise complying with the provisions of this Code shall be entitled to one (1) vote in the selection of members of the Coordinating Committee. The Coordinating Committee shall declare the person receiving the greatest number of votes elected a member of the National Coordinating Committee from his respective region, and the person receiving the next highest number of votes as alternate, to become a member of the Coordinating Committee only in the event the elected member signifies in writing to the Managing Agent not later than July 31st his inability to serve or in the event of the death or resignation of the member.

The following regions are designated, based on hatchery egg capacity:

Region 1. California

Region 2. Oregon, Washington, Idaho, Nevada, Arizona, Utah, Wyoming, Montana.

Region 3. Texas, New Mexico.

Region 4. Oklahoma, Arkansas, Louisiana

Region 5. Kentucky, Tennessee, North Carolina

Region 6. South Carolina, Georgia, Alabama, Mississippi, Florida

Region 7. Nebraska, South Dakota, North Dakota

Region 8. Kansas, Colorado

Region 9. New York, Vermont

Region 10. Maine, Massachusetts, New Hampshire, Rhode Island, Connecticut

Region 11. Pennsylvania, West Virginia

Region 12. Delaware, New Jersey, Maryland, Virginia, District of Columbia

Region 13. Ohio

Region 14. Michigan

Region 15. Indiana

Region 16. Illinois

Region 17. Iowa

Region 18. Missouri

Region 19. Minnesota

Region 20. Wisconsin

Any vacancies occurring in the membership of this committee shall be filled from the region formerly represented by the retiring member for the unexpired term, by a majority ballot of the remaining members of the Coordinating Committee. Members of the Coordinating Committee shall serve for a period of one (1) year or until their successors shall have been selected. Selection or appointment of members of the Coordinating Committee and the filling of any vacancies shall be subject to the approval of the Secretary and the approval of the National Industrial Recovery Board; and

(2) In addition to the membership as above provided, the Secretary and the National Industrial Recovery Board may each

appoint from one (1) to three (3) members or representatives without vote, to serve for such terms as he or it may specify.

(3) The Coordinating Committee shall have as its chairman one (1) of its members duly elected by said Coordinating Committee in accordance with its by-laws.

(4) The Coordinating Committee shall have a managing agent duly elected, by said Committee in accordance with its by-laws, and subject to the disapproval of the Secretary and National Industrial Recovery Board: said managing agent shall perform such duties as may be designated by the Committee, provided that nothing herein shall relieve the Coordinating Committee of its duties or responsibilities under this Code and that said managing agent shall, at all times, be subject to and comply with the provisions hereof.

(c) Each trade or industrial association directly or indirectly participating in the selection or activities of the Coordinating Committee shall (1) impose no inequitable restrictions on membership, and (2) submit to the Secretary and the National Industrial Recovery Board true copies of its articles of association, by-laws, regulations, and any amendments when made thereto, together with such other information as to membership, organization, and activities as the Secretary or the Board may deem necessary to effectuate the purposes of the Act.

(d) In order that the Coordinating Committee shall at all times be truly representative of the industry and in other respects comply with the provisions of the Act, the Secretary or the National Industrial Recovery Board may prescribe such hearings as he or it may deem proper; and thereafter if he or it shall find that the Coordinating Committee is not truly representative or does not in other respects comply with the provisions of the Act, may require an appropriate modification in the method of selection of the Coordinating Committee, or take such other action as the evidence adduced at the hearing may warrant.

(e) It being found necessary in order to support the administration of this Code and to maintain the standards of fair competition established hereunder and to effectuate the policy of the Act, the Coordinating Committee is authorized:

(1). To incur such reasonable obligations as are necessary and proper for the foregoing purpose, and to meet such obligations out of funds which may be raised as hereinafter provided and which shall be held in trust for the purposes of the Code.

(2). To submit to the National Industrial Recovery Board for its approval, subject to such notice and opportunity to be heard as it may deem necessary (1) an itemized budget of its estimated expenses for the foregoing purposes, and (2) an equitable basis upon which the funds necessary to support such budget shall be contributed by members of the industry.

(3). After such budget and basis of contribution have been approved by the National Industrial Recovery Board, to determine and obtain equitable contributions as above set forth by all members of the industry, and to that end, if necessary, to institute legal proceedings therefor in its own name.

(f) Each member of the industry shall pay his or its equitable contribution to the expenses of the maintenance of the Coordinating

Committee determined as hereinabove provided, and subject to rules and regulations pertaining thereto issued by the National Industrial Recovery Board. Only members of the industry complying with the Code and contributing to the expenses of its administration as hereinabove provided (unless duly exempted from making such contribution) shall be entitled to participate in the selection of members of the Coordinating Committee or to receive the benefits of any of its voluntary activities or to make use of any emblem or insignia of the National Recovery Administration.

(g) The Coordinating Committee shall neither incur nor pay any obligation substantially in excess of the amount thereof as estimated in its approved budget and shall in no event exceed the total amount contained in the approved budget, except upon approval of the National Industrial Recovery Board, and no subsequent budget shall contain any deficiency item for expenditures in excess of prior budget estimates except those which the National Industrial Recovery Board shall have so approved.

(h) Nothing contained in this Code shall constitute the members of the Coordinating Committee partners for any purpose. Nor shall any member of the Coordinating Committee be liable in any manner to anyone for any act of any other member, officer, agent, or employee of the Coordinating Committee. Nor shall any member of the Coordinating Committee, exercising reasonable diligence in the conduct of his duties hereunder, be liable to anyone for any action or omission to act under this Code, except for his own willful malfeasance or nonfeasance.

(i) If the Secretary or the National Industrial Recovery Board shall determine as to matters subject to their respective jurisdiction that any action of the Coordinating Committee or any agency thereof may be unfair, or unjust, or contrary to the public interest, the Secretary or the National Industrial Recovery Board, as the case may be, may require that such action be suspended to afford an opportunity for investigation of the merits of such action and further consideration by such Coordinating Committee or agency pending final action which shall not be effective unless the Secretary or the National Industrial Recovery Board approves, or unless he or it shall fail to disapprove after thirty (30) days' notice to him or it of intention to proceed with such action in its original or modified form.

SEC. 2. Powers and duties.—*(a) The Coordinating Committee shall, subject to the disapproval of the Secretary and National Industrial Recovery Board, supervise the establishment of regional and local committees to assist it in performing its duties under this Code. The regional and local committees, where practical, shall be selected by those engaged in the industry in the region or local area which the regional or local committee serves.*

(b) In all matters relating to the administration of the provisions of this Code except those relating to hours of labor, rates of pay, and other conditions of employment (except as the jurisdiction of the Secretary and National Industrial Recovery Board may hereafter be changed pursuant to the order of the President), the Coordinating Committee will have the following duties, the exercise of which shall be reported to the Secretary:

(1) *Subject to such rules and regulations as may be issued by the Secretary to insure the execution of the provisions of this Code and to provide for the compliance of the industry with the provisions of the Act;*

(2) *To adopt by-laws and rules and regulations for its procedure;*

(3) *To obtain from members of the industry such reports as may be necessary for the administration of the Code by the Coordinating Committee in the performance of its powers and duties hereunder. No such individual reports shall be disclosed to any other member of the industry or any other party except as may be directed by the Secretary. If the Coordinating Committee and the Secretary shall determine that substantial doubt exists as to the accuracy of any such report, so much of the pertinent books, records and papers of such member as may be required for the verification of such report may be examined by the Secretary or his duly appointed agent. In no case shall the facts disclosed by such examination be made available in identifiable form to any competitor, whether on the Coordinating Committee on otherwise, or be given any other publication, except as such may be required for the proper administration or enforcement of the provisions of this Code.*

(4) *To receive and investigate complaints of alleged violations of this Code. Members of the industry shall use their best efforts to insure the observance of the provisions of this Code. Any violation thereof which shall come to the knowledge of any member shall immediately be communicated to the Coordinating Committee by a written statement containing said charged violation and all available substantiating evidence. It shall be the duty of the Coordinating Committee to investigate such charges and any other specific charges which may come to its attention through any reliable source. It shall investigate by requiring the member whose transactions are under investigation to submit a statement under oath which shall contain all relevant facts, or upon request to appear before the Coordinating Committee; provided, however, that if a member (or alternate) of the committee shall in any case be a party charged with violation of the Code (or the representative of such a party), he shall, for the purpose of the investigation of said allegation and determination of the issue, be deprived of all his rights, duties and privileges as a member (or alternate) of the committee. Subject to the limitation hereinafter set forth in section 2, paragraph (c) of this article, any order or ruling of the committee shall be subject to a right of appeal to the Secretary. If after investigation it is the opinion of the Coordinating Committee that the charges are based on fact, it may warn a violator to desist from the alleged violation, and in case the alleged violator refuses to comply with the provisions of the Code, may submit the facts with recommendations to the Secretary, to take such actions as he deems necessary.*

(5) *To use, with the approval of the Secretary, such trade associations and other agencies as it deems proper for the carrying out of any of its activities herein provided for: Provided,*

that nothing herein shall relieve the Coordinating Committee of its duties or responsibilities under this Code, and that such trade associations and agencies shall at all times be subject to, and comply with, the provisions hereof:

(6) *To make recommendations to the Secretary for the coordination of the administration of this Code with such other codes, if any, as may be related to the industry, or affect members of the industry:*

(7) *To recommend to the Secretary any action or measures deemed advisable, including further fair trade practice provisions to govern members of the industry in relation with each other or with other trades and industries, and measures for industrial planning;*

(8) *To submit reports to the Secretary from time to time, and as requested, on the operation or effect of the Code;*

(c) *In all matters relating to the administration of the provisions of this Code relating to hours of labor, rates of pay, and other conditions of employment (except as the jurisdiction of the Secretary and the National Industrial Recovery Board may hereafter be changed pursuant to the order of the President), the Coordinating Committee will have the following duties, the exercise of which shall be reported to the National Industrial Recovery Board:*

(1) *Subject to such rules and regulations as may be issued by the National Industrial Recovery Board to insure the execution of the provisions of this Code and to provide for the compliance of the industry with the provisions of the Act;*

(2) *To adopt by-laws and rules and regulations for its procedure;*

(3) *To obtain from members of the industry such information and reports as may be necessary for the administration of this Code by the Coordinating Committee and the performance of its powers and duties hereunder. In addition to information required to be submitted to the Coordinating Committee members of the industry subject to this Code shall furnish such statistical information as the National Industrial Recovery Board may deem necessary for the purpose recited in Section 3a of the Act to such Federal and State agencies as it may designate; provided that nothing in this Code shall relieve any member of the industry of any existing obligations to furnish reports to any Government agency. No individual report shall be disclosed to any other member of the industry or any other party except to such other Governmental agencies as may be directed by the National Industrial Recovery Board;*

(4) *To use such trade associations and other agencies as it deems proper for the carrying out of any of its activities provided for herein, provided that nothing herein shall relieve the Coordinating Committee of its duties or responsibilities under this Code and that such trade associations and agencies shall at all times be subject to and comply with the provisions hereof;*

(5) *To make recommendations to the National Industrial Recovery Board for the coordination of the administration of this Code with such other codes, if any, as may be related to or affect members of the industry;*

(6) *To recommend to the National Industrial Recovery Board any action or measure deemed advisable in connection with industrial planning and the stabilization of employment;*

(7) *To provide appropriate facilities for arbitration, and subject to the approval of the National Industrial Recovery Board, to prescribe rules of procedure and rules to effect compliance with awards and determinations;*

(8) *To appoint such committees, employees and/or agencies as it may deem necessary, and to determine the compensation and define the duties of such committees, employees, and/or agencies.*

ARTICLE IX—DURATION OF IMMUNITIES

The benefits, privileges and immunities conferred by this Code shall cease upon its termination except with respect to acts done prior thereto.

ARTICLE X—MONOPOLIES

No provision of this Code shall be so applied as to permit monopolies or monopolistic practices or to eliminate, oppress or discriminate against small enterprises.

ARTICLE XI—AGENTS

The Secretary and the *National Industrial Recovery Board* may each by designation in writing name any person, including any officer or employee of the Government, to act as his or its agent in connection with his or its respective powers and duties under any of the provisions of this Code.

ARTICLE XII—MODIFICATION

SECTION 1. This Code and all the provisions thereof are expressly made subject to the right of the President in accordance with the provisions of Sub-section (b) of Section 10 of the Act, from time to time to cancel or modify any order, approval, license, rule or regulation issued under Title I of said Act.

SEC. 2. Such of the provisions of this Code as are not required to be included herein by the Act, may, with the approval of the Secretary and/or National Industrial Recovery Board, be modified or eliminated in such manner as may be indicated by the needs of the public, by changes in circumstances or by experience.

ARTICLE XIII—EFFECTIVE TIME

(a) This Code shall become effective on the fifth day after its approval by the President.

(b) *This amended Code shall become effective on the fifth day after its approval.*

EXHIBIT A—DEFINITIONS OF TERMINOLOGY

All advertising and sale of hatching eggs, baby chicks, and started chicks, baby ducklings, and turkey poults shall be governed by the following definition of terminology:

1. *Accredited flock*.—A flock selected, mated, and kept under the rules and specifications of an official State agency and subject to its supervision and inspection. This term is to be used only when all eggs, chicks, or fowls sold for breeding purposes are under the supervision of an official State Agency set up in the State for carrying on accreditation work.

2. *Accredited hatchery*.—One operating under the rules of an official State agency and subject to its supervision and inspection. The use of this term is to be limited to those hatcheries having all stock under the supervision of an official State agency.

3. *Accredited chicks*.—Chicks hatched from eggs produced by an accredited flock hatched in an accredited hatchery.

4. *Supervised flock*.—A flock selected, mated, and kept under the rules and specifications of an official State agency and subject to its supervision and inspection. This term is to be used only when all eggs, chicks, or fowls sold for breeding purposes are under the supervision of an official State agency set up in the State for carrying on supervision work.

5. *Supervised hatchery*.—One operating under the rules of an official State agency subject to its supervision and inspection. The use of this term is to be limited to those hatcheries having all stock under the supervision of an official State agency.

6. *Supervised chicks*.—Chicks hatched from eggs produced by a supervised flock hatched in a supervised hatchery.

7. *Certified flock*.—One selected, mated, and kept under the rules and specifications of an official State agency and subject to its supervision and inspection and meeting its minimum requirements for this grade. This term shall be used only when all eggs, chicks, or fowls sold for breeding purposes likewise meet the minimum requirements in the State for this grade.

8. *Certified hatchery*.—One operating under the rules of an official State agency and subject to its supervision and inspection. The use of this term shall be limited to those hatcheries having all of their stock under the supervision of an official State agency and meeting minimum requirements for certification in that State.

9. *Certified chicks*.—Chicks hatched from eggs produced by a certified flock and hatched in certified hatcheries. All chicks sold must meet the minimum requirements for this grade in the state.

10. *Pullorum tested flock*.—A flock, in addition to meeting the requirements of an accredited or a supervised flock, which when tested for pullorum disease (bacillary white diarrhea) under the supervision of an official state agency within twelve months immediately preceding the date of sale of hatching eggs or chicks from such flock have had all indicated carriers of the pullorum disease removed upon completion of the test.

11. *Pullorum-tested hatchery*.—An accredited or supervised hatchery operating under the supervision of an official State agency and hatching only eggs from pullorum-tested flocks.

12. *Pullorum-tested chicks*.—Chicks hatched from eggs produced by pullorum-tested flocks and hatched in pullorum-tested hatcheries.

13. *Pullorum-accredited flock*.—A flock, in addition to meeting the requirements of an accredited or a supervised flock, which when tested for pullorum disease (bacillary white diarrhea) under the supervision of an official state agency contains no reactors in two consecutive tests not less than six months apart, the last test being made within the testing year immediately preceding date of sale.

A flock, developed exclusively from purchased hatching eggs produced by a pullorum-accredited flock and hatched in a pullorum-accredited hatchery, may be recognized as a pullorum-accredited flock on one annual test conducted under the supervision of an official state agency if no reactors are found.

A flock, developed exclusively from purchased chicks or breeding stock produced by a pullorum-accredited flock, may be recognized as pullorum-accredited on one annual test conducted under the supervision of an official state agency if no reactors are found.

14. *Pullorum accredited hatchery.*—An accredited or a supervised hatchery operating under the rules of an official state agency and hatching only eggs from pullorum-accredited flocks.

15. *Pullorum-accredited chicks.*—Chicks hatched from eggs produced by pullorum-accredited flocks and hatched in pullorum-accredited hatcheries.

16. *Official State Agency.*—An agency such as State Department of Agriculture, State College of Agriculture, or other agency recognized by an appropriate state official.

17. *Ancestry.*—Ancestry, when used in reference to egg records refers to the record of the dam and the sire's dam and not alone to some remote ancestor.

18. *Assorted chicks.*—Chicks of no particular breed.

19. *Baby chicks.*—Chicks before they have been fed or the sexes separated.

20. *Baby cockerels.*—Male baby chicks.

21. *Baby ducklings.*—Ducklings before they have been fed or the sexes separated.

22. *Baby pullets.*—Female baby chicks.

23. *Blood tested.*—Refers to a method used in examination of birds for pullorum disease through the process of drawing a sample of blood from the body of a fowl and examining this blood sample by an appropriate bacteriological method.

24. *Bred from.*—Refers to the immediate parents, i. e., bred from 300-egg layers means that the dam or sire's dam were such 300-egg layers.

25. *Breeder hatchery.*—Any person owning breeding flocks and incubator equipment who produces and sells "chicks, baby ducklings, or turkey poults" or "started chicks, ducklings, or turkey poults" only from flocks owned by him.

26. *Blood line.*—Family lines within a strain as a result of line breeding. Distinctive family lines may be known as "blood lines."

27. *Breed.*—A race of fowls that conform to certain definite characteristics.

28. *Breeding farm.*—A place where the propagation of fowls is carried on according to a definite plan, in order to accentuate certain characteristics not common to all fowls of the variety.

29. *Chicks from trapnested stock.*—Chicks produced by dams that have been trapnested for a period of at least 51 consecutive weeks, and it is understood that the sires of such chicks must be individually pedigreed.

30. *Commercial hatchery.*—Any person operating or controlling incubator equipment who produces 95% or more of the "chicks, baby ducklings, or turkey poults", "started chicks, ducklings, or turkey poults" which he advertises or sells.

31. *Contest.*—Same as egg-laying contest.

32. *Contest record.*—See egg-laying contest records.

33. *Culled.*—Each bird in all flocks individually handled and the undesirable ones removed.

34. *Crossbred.*—Birds resulting from matings of different breeds or varieties.

35. *Disease free.*—Means that the fowl, chicks or eggs are free from all diseases, or from a specific disease.

36. *Disease resistance.*—Refers to the ability of fowl or chicks to resist some specific disease.

37. *Disease spread prevention processes.*—Refers to exposing of chicks to fumigation, gases or other processes used in preventing spread of diseases.

38. *Egg-laying contest.*—Only officially conducted egg-laying contests are recognized, i. e., contests that are supervised, managed, and conducted by and under a recognized State or Federal authority. Such authority may be either an agricultural experiment station, State agricultural college or university, or a Federal or State department of agriculture.

39. *Egg-laying contest record (official).*—A trapnest record made at an official egg-laying contest, during the period of time which has been designated in its rules and regulations as an official duration of said contest.

40. *Flock average.*—A flock average is the average number of marketable eggs produced per bird on a hen-day basis.

41. *Guarantee.*—To promise or warrant the performance of and to secure against loss or damage.

42. *Guaranteed egg production.*—Means the promise or warrant of specific egg production ability of pullets reared from chicks.

43. *Guaranteed to live.*—Means the promise against death of fowls or chicks.
 44. *Guaranteed safe delivery, 100% live arrivals, etc.*—Means the shipper guarantees 100% live chicks with the understanding that dead ones will be replaced free of charge or the money refunded for those dead on arrival.

45. *Hogan tested.*—Refers to the so-called method of selection of fowls for egg production based upon capacity of the abdomen as measured between the two pelvis bones and between pelvis bones and keel bone. Research by poultry authorities has indicated that such measurement is not a true index of production ability and therefore the use of this term is discouraged as misleading.

46. *Hatchery.*—A place containing incubator equipment where 500 or more chicks are hatched for sale or 1,000 or more eggs set for hire during any calendar year.

47. *Leg-banded.*—Means that each bird in flock, producing hatching eggs, is leg-banded with some type of sealed leg band.

48. *Line bred.*—Birds in which a given ancestor appears repeatedly in different generations of the pedigree resulting in a predominating hereditary influence from this individual.

49. *Mixed chicks.*—Chicks of no particular breed.

50. *Our own flock or flocks.*—A flock or flocks owned by the user of the term.

51. *Production.*—Refers to the ability of a pullet or hen to produce eggs.

52. *Pedigree.*—Pedigree is the record of ancestry.

53. *Pedigreed chicks.*—Chicks which are individually pedigreed, concerning which the exact and precise parentage of each chick and egg records of all female ancestors for at least two generations are known.

54. *Pen pedigreed.*—Exact individual parentage not known but from females in a certain pen, the egg records of which are made known, mated to males that are individually pedigreed

55. *Pedigreed male matings.*—All males used to side chicks of this grade must be individually pedigreed.

56. *Record of performance.*—A term used in connection with official supervision of some recognized state agency of trapnesting and breeding fowls according to the uniform rules and regulations of the United States Record of Performance Federation, or the rules of an official state agency.

57. *R. O. P. pedigreed.*—Individually pedigreed from matings of approved R. O. P. males and approved R. O. P. females.

58. *Strain.*—A term referring to birds from common lineage or certain lines of breeding and used to designate the families of fowl developed by certain breeders.

59. *Standard bred.*—Birds bred according to the American Standard of Perfection and meeting the requirements of the respective breed and variety given in the Standard of Perfection.

60. *Started chicks, poult, or ducklings.*—Chicks, poult, or ducklings which have been fed and/or watered.

61. *Sex linked.*—Hybrid chicks in which the sexes may be separated at the time of hatching by means of external characteristics.

62. *Turkey poult.*—Baby turkeys before they have been fed or the sexes separated.

63. *Year trapnest record.*—Egg record during 365 days following the beginning of egg production.

64. *Commercial Hatchery and Dealer.*—Any person operating or controlling incubator equipment who produces more than 51% and less than 95% of the "chicks", "baby ducklings", "turkey poult", "started chicks, ducklings, or turkey poult", which he advertises or sells.

65. *Dealer.*—Any person who produces in his own equipment less than 51% of the "chicks", "baby ducklings", "turkey poult", "started chicks, ducklings, or turkey poult" which he advertises or sells.

66. *Hatching Eggs.*—Eggs from mated flocks to be used to reproduce the species.

67. *Straight Run Chicks.*—A term used to designate chicks which have not been sorted for sex.

68. *Sexed Purebred Chicks.*—Purebred chicks separated as to sex by physical examination.

69. *Sexed hybrid or crossbred chicks.*—The progeny of two breeds or varieties that are crossed, the sex of the progeny at hatching time being distinguishable by the down and shank color, primary or flight feathers, or by physical examination.

EXHIBIT B—DEFINITIONS OF TERMINOLOGY

NATIONAL UNIFORM BREEDING AND DISEASE CONTROL PROGRAM

Terminology of the National Program for Poultry Improvement and Disease Control. The following terms to be used only when the requirements of the National Program for Poultry Improvement and Disease Control are fulfilled under the auspices of an authorized state agency.

1. **Approved Flock.**—A flock selected, mated, and kept under the rules and specifications of an official State agency and subject to its supervision and inspection. This term is to be used only when all eggs, chicks, or fowls sold for breeding purposes are under the supervision of an official State agency set up in the State for carrying on such approved work.

2. **Approved Eggs.**—Eggs from approved flocks or of a better grade and weighing at least one and eleven-twelfths ounces each.

3. **Approved Hatchery.**—One operating under the rules of an official State agency and subject to its supervision and inspection. The use of this term is to be limited to those hatcheries having all stock under the supervision of an official state agency.

4. **Approved chicks.**—Chicks hatched only from approved eggs or better grades in approved hatcheries.

5. **Certified Flock.**—One selected, mated and kept under the rules and specifications of an official State agency and subject to its supervision and inspection and meeting its minimum requirements for this grade. This term shall be used only when all eggs, chicks, or fowls sold for breeding purposes likewise meet the minimum requirements in the state for this grade.

6. **Certified Eggs.**—Eggs produced only by certified flocks and weighing two ounces each.

7. **Certified Hatchery.**—One operating under the rules of an official State agency and subject to its supervision and inspection. The use of this term shall be limited to those hatcheries having all of their stock under the supervision of an official state agency and meeting minimum requirements for certification in that state.

8. **Certified Chicks.**—Chicks hatched from eggs produced by a certified flock and hatched in certified hatcheries. All chicks sold must meet the minimum requirements for this grade in the state.

9. **Record of Performance Pen.**—A flock mated and kept under the rules and specifications of an official state agency and subject to its supervision and inspection and meeting its minimum requirements for this grade.

10. **Record of Performance Eggs.**—Eggs produced only by record of performance pens and to weigh at least two ounces each and average twenty-five ounces or more per dozen.

11. **Record of Performance Chicks.**—Chicks hatched from eggs produced by a record of performance pen and pedigreed and banded at time of hatch.

12. **Pullorum Tested Flocks.**—A flock, which, when tested for pullorum disease (bacillary white diarrhea) under the supervision of an official state agency within twelve months immediately preceding the date of sale of hatching eggs or chicks from such flock have had all indicated carriers of the pullorum disease removed upon completion of the test.

13. **Pullorum Tested Eggs.**—Eggs from pullorum-tested flocks.

14. **Pullorum Tested Hatchery.**—A hatchery operating under the supervision of an official State agency and hatching only eggs from pullorum-tested flocks.

15. **Pullorum Tested Chicks.**—Chicks hatched from eggs produced by pullorum-tested flocks and hatched in pullorum-tested hatcheries.

16. **Pullorum Passed Flocks.**—Flocks which when tested for pullorum disease (B.W.D.) under the supervision of an official state agency contain no reactors, the last test being made within the testing year immediately preceding date of sale. Any unofficial tests made on breeder's farm shall be reported to super-

visory and the reactors occurring in these unofficial tests shall be considered on the same basis as any reactors in official tests.

A flock developed exclusively from purchased hatching eggs produced by a pullorum passed flock and hatched in a pullorum passed hatchery may be recognized as a pullorum passed flock, on one annual test conducted under the supervision of an official state agency if no reactors are found.

Birds may not be added to pullorum passed flocks except after the approval of the official supervisor and then only from pullorum passed flocks.

17. *Pullorum Passed Eggs.*—Eggs from pullorum passed flocks.

18. *Pullorum Passed Hatchery.*—A hatchery operating under the rules of an official state agency and hatching only eggs from pullorum passed or pullorum clean flocks.

19. *Pullorum Passed Chicks.*—Chicks hatched from eggs produced by pullorum passed flocks and hatched in pullorum passed hatcheries.

20. *Pullorum Clean Flocks.*—Flocks which when tested for pullorum disease (B. W. D.) under the supervision of an official state agency contain no reactors in two consecutive tests not less than 6 months apart, the last test being made within the testing year immediately preceding date of sale. All pullorum tests of flocks of this grade or flocks that are candidates for this grade must be reported to the supervising state agency and reactors occurring in unofficial tests shall be considered on the same basis as any reactors in official tests.

A flock developed exclusively from purchased hatching eggs produced by a pullorum clean flock and hatched in a pullorum clean hatchery may be recognized as a pullorum clean flock, on one annual test conducted under the supervision of an official state agency if no reactors are found.

21. *Pullorum Clean Eggs.*—Eggs from pullorum clean flocks.

22. *Pullorum Clean Hatchery.*—A hatchery operating under the rules of an official state agency and hatching only eggs from pullorum clean flocks.

23. *Pullorum Clean Chicks.*—Chicks hatched from eggs produced by pullorum clean flocks and hatched in a pullorum clean hatchery.

If and when the National Breeding and Disease Control Program is approved by the Secretary and actively participated in by any Bureau of the United States Department of Agriculture, the prefix "U. S." may be added to the terms: Approved Flocks, Approved Hatchery, Approved Chicks, Approved Eggs, Certified Flocks, Certified Hatchery, Certified Chicks, Certified Eggs, Record of Performance Pens, Record of Performance Chicks, and Record of Performance Eggs or any combination of terms used in the National Breeding and Disease Control Program.



